ROOSEVELT BLOCKED SALE OF NEW HAVEN'S WATER LINES TO MORSE

Q. In the light of subsequent events A. In the light of subsequent events have you not changed your views? A. Mr. Morgan's death is the reason for the change. I think that had Mr. Morgan lived the road would have been paying dividends to-day.

Q. Would you have extended your systomatical with the new Haven railroad. The Hoston and Maine is now paying on this road and it is operated very little. "It is absolutely a dead horse." said Mr. Mellen, "to everybody concerned until it is operated."

Mr. Folk developed that large amounts of New Haven stock had been ostensibly only a few fields.

tem of monopoly throughout the United States? A. No, I think there are natural to have transportation monopolies. I do not think the larger systems should go the stock was sold to Mr. Mellen in March, 1904, and consisted of 10,980 shares valued at \$3,768,650. together unless through Government ownership.

ven railroad and the Pennsylvania and the was sold to me."

New York Central. man what would you say as to interlock- asked Mr. Folk. where systems are held together by stood ownership, but I think it is a pretty bad thing for the country and for the rail-roads where there are different systems of \$102,000, and of this \$50,000 was subscribed, \$20,000 to be used in Massachus scribed, \$20,000 to be used scribed, \$20

for a railroad to hold stock in another?

A. Rad; except by authority of some pub-A. Had; except the section of the like body that should investigate and induction out and determine the public interest. I do not think any railroad should be given they were given in sections where the New Haven operated.

Charles F. Brooker, a director of the like by the section of the like by the like by the section of the like by the li

Solicitor Folk questioned Mr. Mellen concerning a transaction wherein it appeared that John H. McKay of New York had received \$23,175 in connection with leases of New York piers against which leases there was objection in the Board of Aldermen. Mr. Mellen could not make clear just what the money was paid for.

Mr. Folk read a letter written by Sterior Received Mr. Mellen. "I personally sold all of that stock. I was much more fortunate in handling it than at the time." Solicitor Folk questioned Mr. Mellen concerning a transaction wherein it ap-

r. Mellen testified that the Joy Line had been purchased by the New Haven. but that it was not generally known that it was controlled by the New Haven. Q. Was suit brought by the Mallory Company for \$250,000? I was so used to threats that I do not remember them. I think the Mallory people claimed that \$350,000 had beer received by us for boats which they boats which they bought and they claimed that we had eceived stolen money. These boats were bought through the instrumentality of Mr.

"If Morse stole this money did you

e slightest idea."
At this point Mr. Folk asked if Mr. At this point Mr. Folk asked if Mr. Miller, one of the members of the board of directors, had not cast a dissenting vote in one of the steamship transactions. Mr. Mellen replied that if Mr. Miller had it was the second one that had been cast by any member of the board during the tan years he was president.

Q. During that time you had been as bad been lessed as another large batch of stock, aggregating 27.154 shares, added. "When the stock is the stock of the stock is tookholders in the meetings."

"Stockholders in the meaning about them. Mr. Folk showed also another large batch of stock, aggregating 27.154 shares, added. "When the stockholders in the meetings."

ten years he was president.

Q. During that time you had before the board propositions involving many millions of dollars? A. Yes.

Q. And many policies? A. One policy.

Q. That policy was monopoly? A. Transaction of a transaction tradictory explanation of a transaction with the New England Navigation Com-

Q. And many policies? A. One policy.
Q. That policy was monopoly? A.
Beneficent monopoly. The results that we hoped to accomplish were defeated by the intervention of Providence, the John L. Billard figured.

Q. You berrowed \$375,000 for the New York Providence of the New York Providence of

with him. I preferred to break with Mr.

Panama Line Projected.

jected a steamship line that would go from the Atlantic coast to the Panama Canal "These negotiations," said Mr. Mellen,

dled a-borning because the Panama Canal st, which was subsequently passed, prohibited railroad ownership in steamship Mr. Folk then entered into the affairs

of the Hampton Railroad, which was con-

not? A. The great force in the world is brains. Mr. Morgan had them.

Q. So that control by you would have carried control to him? A. If he had had been sandled that it cost between \$3,000,000 and \$3,400,000. Mr. brains enough to control that situation he Meilen said that the road was fifteen had a right to it.

Meilen said that the road was fifteen miles long and was intended as a connection. tion between the Boston and Maine and the New Haven railroad. The Boston

Explaining this transaction Mr. Mellen

ownership.

Denies Any Working Agreement.

Mr. Mellen denied that there was a working agreement between the New Ha-Mr. Mellen said he gave his note for

Q. From your experience as a railroad the stock.
"What security was back of your note?"

ing directorates? A. I think there is a very good reason for interlocking directorates. There is a good reason for these torates. There is a good reason for these torates. is where the famous subscription to the Republican campaign fund of 1904, the

in Rhode Island and New York. These three sums, he said, were paid in three checks, so that they would show that they were given in sections where the

Mr. Folk read a letter written by Stephenson Taylor in 1907 in which he said that Charles W. Morse would proceed at once unless Mr. Mellen took up the Joy loan and that it would be a very nasty matter if it became public.

O. Why was it sent? A. You should

matter if it became public.
Q. Why was it sent? A. You should ask Mr. Taylor. I would have been glad if Morse had entered suit. I never paid a dollar to get rid of Mr. Morse.

"There is some doubt," said Mr. Morte. Chord, "as to whether this money was yours or not, particularly in view of your statement as to the manner in which you statement as to the manner in which you be this stock in connection with the took this stock in connection with the Stock Exchange."

Didn't Keep a Dollar of It.

"I did not retain a dollar of it," said

New Haven would get the benefit of the electrification it had done. The New Mr. Folk produced a memorandum showing that Pierpont Morgan & Co. and was so ways been a burden. charged on the books of the New Haven and did not appear as a physical fund.

Q. According to that memorandum the various things were discussed. The New Books of the New Haven are false?

According to that memorandum you can form your own conclusion as to what the sons attended the meetings and among situation is.

Mr. Mellen said that \$6,500 was also mr. Mellen said that \$6,500 was also Pennsylvania, the New York Central, the "No," replied Mr. Mellen. "I never had given to Vice-President Buckland for the American Express Company and other the slightest idea."

Mr. Mellen said that \$6,500 was also Pennsylvania, the New York Central, the given to Vice-President Buckland for the American Express Company and other Republican committee in Rhode Island. large holders. He observed that the stockholders did not take much interest

Mr. Folk showed also another large batch of stock, aggregating 27.154 shares, had been issued to Mr. Mellen for the

Q. You borrowed \$375,000 for the New At one time Mr. Mellen was thinking England Navigation Company? A. Yes,

fact Mr. Billard owed him some money and that he really owed Mr. Billard only

Mr. Mellen added that the Billard Company paid up his note and with it went the collateral, that is, the Billard stock. Mr. Mellen was asked

that I was going out of the presidency of the New Haven and I remembered those due bills which I had issued in the Westchester transaction and I wanted to be in a position to pay them if they were

structed to be rented to the Boston and Maine Railroad.

Mr. Mellen said that the contractors estimated from the presidency.

Mellen Says He Was "Practically Fired" From New Haven Presidency

Q. By whom? A. Is that material?
Q. By the board of directors? A. I

What do you mean, that you could

A. What do you mean, that you could have stayed so far as the board of directors was concerned? A. I mean to say that if I had gone before the board 75 per cent. of them would have voted to have me remain.

Did Not Want a Squabble.

Q. Why did you not go? A. Because I did not want a squabble or a fight. Q. How did you learn that you were discharged? A. I suppose that that is a necessary way to express it. It was intimated to me by a gentleman who was connected with the board of directors that a change, in his judgment, would be desirable, and, inasmuch as I thought a change would be desirable. I was glad to welcome the opportunity and avail

Q. What arrangement did you have as to your resignation? A. There was a contract offered to me, but not at my experience and my advice, for a term of five years at \$30,000 a year. Just prior to the angual meeting in October I was told by two members of the committee who arranged for my retirement that the compensation which had been voted to my was a source of embarrassment to them and that it was likely to be a bone of contention at a stockholders' meeting which was to occur in a day or two and they asked me to waive it, and with my usual way of doing business I made then

esent of the \$150,000.
Did you receive any cash? A. No and I would not receive a single cent

them.
. Mellen said that at the time the Mr. Mellen said that at the time the employees of the railroad received a cut of 10 per cent, in their salary he made a similar cut in his own salary, which was \$60,000 a year, and that at the time he retired he was getting \$54,000 a year. "When I left the Maine Central the directors voted me \$40,000, which I received," he added. "The Boston and waine voted me \$60,000."

"Under what circumstances did you Q. Now who was it that intimated to leave the New Haven railroad?" asked Mr. Folk, shifting the subject.

"I was practically fired," said Mellen with a smile.

Q. Now who was it that intimated to you in the first place that your resignation was desirable? A. It was a member of the board of directors. He gave me an opening which I was glad to avail myself.

Q. By the board of directors? A. I of the board of directors? Q. Did they have anything to do with the New York and New Haven its stock was seling at something like \$191 a share and when he left it was bringing \$101 a share.

> ization of the affairs of the New Haven to? A. I should like to start fresh in the morning on that subject instead of late in the afternoon.

the demoralization to the large floating debt the road was carrying.

Q. What brought it about? A. Various things—the Westchester deal, the Boston and Maine deal, various investments that we had that could not be profitable, the general depression that was prevailing in New England, increased cost of the Grand

Central station improvement and many things of this kind. A long list of things could be enumerated. Mr. Mellen added, however, that he thought the Boston and Maine eventually would take care of itself and he likewise ought the Rhode Island trolleys could have been made a paying venture.

"Acquiring the steamships was a big mistake," added Mr. Mellen.

WASHINGTON, May 21.-Here is the memorandum which Charles S. Mellen read to President Roosevelt when he visited the White House in 1907 at the request of the late J. P. Morgan.

The memorandum was presented shortly before Mr. Bonaparte, President Roosevelt's Attorney-General, entered suit against the New Haven to separate it from the Boston and Maine. This suit never was pressed and was withdrawn by the Taft Administration. The memorandum in part follows

The company I have the honor to represent respectfully submits to

That it has no liability on its balance sheet that does not represent more than 100 cents on the dollar. That it has not issued stock or bonds except for cash or its equivalent, and the premiums received upon its capital issues are far in excess of any discounts. In other words, neither directly nor indirectly can it be charged there is any fictitious capital upon which the public is taxed for re-

That no revaluation of its property and equipment could be made in the judgment of its management that would not show largely in excess of its cost or the present market value of all its securities held by the pub-

Obedient to the Laws.

That none of its officials have been accused of violation of existing law, except by an irresponsible news-paper, and its officers and directors are in every respect conforming to the rules and regulations of all, properly constituted tribunals and in-tend continuing so to do, except when under advice of counsel appeal is taken to the courts for the protection of the property.

That in the formation of the sys

tem of roads operated by it it has secured affirmative legislation in all the jurisdictions involved wherever doubt has existed, and its position is not questioned at the present time by any competent authority.

That wherever expansion of its sys-

tem of roads has been permitted there has followed an improved con-

Mr. Mellen thought that ultimately the

"Stockholders Like Sheep."

Mr. Mellen said that in the scheme of

consolidation little opposition came from

Q. Did you encounter opposition from the people anywhere or did they take

these were holders of proxies

dition of the property in the interest of public safety, an increased ser-vice and a reduction of rates, and, I am glad to say, an increased rev-

With this elight introduction I wish to state most positively that I represent no other interest in even a remote degree than my own com-

I appear here at the suggestion of a man I esteem most highly—to whom I am under weighty obligations—desiring to acquit myself as well as may be to his satisfaction in his absence, and am under very much embarrassment in that in expressing my views they will probably be construed as a reflection in quarters where nothing of the kind is intended.

Better Regulation Payored.

I have long been in favor of a etter regulation of railroads by the Federal Government; a greater pub-licity in the accounts of the business done; a greater restriction in the character of the investments percharacter of the investments per-mitted; a closer inspection and more frequent examination of books and vouchers with a wide publicity sim-flar to that required in town and county reports in New England; a more rigid requirement as to charac-ter of construction and equipment in the interest of public safety; safe-guards regarding the issue of stock and bonds; restrictions to prevent the voting of stock that control might voting of stock that control might not be made worth more than the re-turn in dividends; to make directors direct and not seek position for the purpose of securing patronage through control of trade for the purpose of nepotism and the manipulation of the stock market.

"Holding these views I am never-theless bitterly opposed to the recent legislation by the Congress, believing it has done the things it ought not to have done and left undone the things it ought to have done, devoting more time to the petty things that cause irritation and exasperation rather than reform, and purposely or otherwise ignoring those things that would have prevented further ills of the character from which the public and the railroads are suffering at the and the railroads are suffering at the present time, the blame for which should not be unequally divided, for both have been culpable and it is difficult to ascertain which the more

MELLEN'S APPEAL TO ROOSEVELT FOR AID

"Just now I find myself amid "Just now I find myself amid great perplexities and resulting hardships, in that my labor is dissatisfied and constantly demanding more and is constantly yielding less in efficiency, that the cost of money has advanced materially—about 25 per cent.—that the demand for improvements was never so great, and, despite reductions in rates willingly conceded reductions in rates willingly concede and proportionate to the prosperity experienced, I am meeting arbitrary reductions by governmental authority like the recent Congressional reduction in mail pay of about 5 per cent., followed in a few days by the order of the retistic Postmarter Centered of the retiring Postmaster-General making a further reduction of about 14 per cent.

"Everything seemingly is conspir-ing to require me to seriously curtail my expenditures in the way of improvement, resulting in curtailment elsewhere in the material and labor employed, which inevitably means re-action, for I cannot consider conditions are exceptional with my com-pany, but that my own experience is that of others engaged in the same

line of business "I have committed myself to further concessions in rates, to additional service, to improved facilities, which I am anxious to carry out and which it will be as great a disappointment to myself to postpone as to those whom I have encouraged to expect them, but the conditions confronting me are of a character to make me curtail rather than expand, and unless those conditions can be changed. my course is cut out for me and I must prepare for serious reaction as a reasonable business precaution.

"Presenting these views to your consideration. I am disposed to ask your powerful assistance to the end that the agitation going on may be in some measure reduced-brought more under control, not that those who have been doing wrong may go unpunished, but that there may period of recuperation in which there shall be a more same and safe consideration of measures for the public welfare and that the influence or the suggestion (which is rife now and has taken firm hold among those of less ability, doing incalculable harm) may have a chance to abate through other issues attracting attention.

properties of the New Haven road. Mr. Smith remembers a visit of Mr. Mellen to the then President Roosevelt at which he as Commissioner of Corpora-

at which he as Commissioner of Corporations was present and recalls to-night that steamship holdings were discussed.

"However, I don't care to discuss the conversation just now or even to attempt to restate the circumstances until I have had an opportunity to refresh my recollection from my notes," said Mr. Smith. "I will not talk about Mr. Mellen's statement that Col. Roosevelt advised Mr. Mellen concerning the New Haven's steamship lines and made promises that the road's steamship properties would not be disturbed. Moreover, it appears improper for me to comment on the incident in advance of a statement from Col. Roosevelt, he and Mr. Mellen being the principals in the affair, while I was present cipals in the affair, while I was present as head of the Bureau of Corporations."

MORSE SUPPORTS MELLEN.

Says Latter's Testimony About Steamship Lines Is Correct.

Charles W. Morse in the offices of the Hudson Navigation Company, pler 32, North River, corroborated yesterday the testimony of ex-President Mellen of the New Haven regarding the projected sale of the New Haven's steamship lines. Mr. Morse said that he had offered \$20,000,000 for the steamship lines and that ex-Pres-

"Roosevelt wouldn't permit Mr. Mellen to seil," said Mr. Morse. "Roosevelt permitted Mr. Mellen to do illegal acta. Mr. Mellen himself told me that Roosevelt allowed him to do these things that were subsequently said to be illegal. "When I came back to New York on March 19 on the Imperator I said then that the New Haven had been permitted to act illegally for twenty years and does

"REBATE," SAYS VANDERLIP

Not a "Commission" When the Billard Note Was Paid.

Frank A. Vanderlip, president of the National City Bank, said yesterday that the charge made by Mr. Mellen in his testimony that the National City Bank forced the New Haven to pay \$20,000 as "commission" when the Billard note was paid off ahead of time was entirely unfounded.

Mr. Vanderlip said that the payment was in no sense a commission. It was the regular rebate received by bankers when obligations were paid off before maturity. This regular rebate practice is based on the fact that a 4 per cent loan, for in-stance, might be paid off in a 3 per cent market, the lender thereby sustaining a loss, unless compensated by the rebate payment.

FOUR MEN HURT IN GANG MIXUPS

"Boys Try Out Guns" at Heywood Social Club, Wounding One.

ATTACK TWO IN STREET

Half a Dozen Lure Yet Another to Roof and Rob Him.

There has been a split in the Gopher Gang since Tanner Smith left fail three crime at the time," said he a moment There may have been some in Rhode agent in Rhode Island? A. He was not months ago and the fist fights and petty retaliations that have been going on broke out last night into a general fight all along the line. The police say they list street, Brooklyn, yesterday. had felt it coming and they look for more trouble, now that two men are in hospitals from wounds that may prove

e nega-at Tenth avenue and Interceded to I think Five young men entered and proceeded to Owney's friends replied in kind, but there were no injuries then. But on their way out the five took a pot shot at John Connell, who was officiating in the cloak room. A bullet went tearing through his abdomen and he dropped in a heap. This was shortly

> It was after 11 o'clock when a taxicab arrived at Bellevue Hospital and Con nell was lifted out and rushed to the operating table. The police of the West Thirty-seventh street station were informed that there had been a shooting and Detective Hooker learned a little about the Heywood Club shooting from

Connell before he became unconscious.

About the same time that the police learned of Connell's injuries word came my name being withdrawn from the articles of incorporation," said he.

Q. With whom did you confer before arriving at that conclusion?

A. With two or three directors, including Mr. Morgan.

Q. What did Mr. Morgan say?

Q. What morgan said if I had anything to do with Morgan said if I had anything to do with Charles W. Morse I would break with

Mr. Mellen said that as a matter of Charles W. Morse I would break with

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Mr. Mellen said that as a matter of Charles W. Morse I would break with

Mr. Mellen said that I was entitled to it.

Mr. Mellen said that is 19,980 shares. I still owe the monse are thought this was actourse of the Boston and Maine, Seth McCarter.

"Distinguish between lawyers retained for the stock? A. None; the money and the entry of the Boston and Maine, Seth McCarter.

"Distinguish between lawyers retained for the stock of the ounsel of the Boston an mixup. He didn't know, of course, who his assailants were. Shortly after this Arthur Galindo of

494 Tenth avenue, who has been beaten up several times within the last few weeks, but who has failed to appear against the men whom the police arrested was set upon and kicked all over the street. He was getting it when detec-tives went to his rescue and he joined in the chase after the gangeters. He kept after one man and finally got him on the roof of a tenement in West Thir-

on the roof of a tenement in West Thirty-ninth street.

The prisoner was just giving his name as Thomas Reilly. of 546 West Fortieth street in the West Thirty-seventh street station when Louis Gummantz of 510 West Forty-second street rushed in and pointed out Reilly as one of the men who had robbed and beaten him earlier in the evening. He said he was in his room when some one threw pebbles at his window and he went to the roof to investigate. There he was set upon by half a dozen young men. They took \$6 and a pawn ticket for a \$200 ring from him and then they kicked him all over the roof. So Reilly was held on two complaints. plaints.

plaints.

Detectives Flood and King met Owney Madden in West Thirty-fourth street. He said he was on the way to the French Hospital to see one of his friends. The detectives searched him, but he had no weapon and was allowed to go. He said there had been a slight disagreement at the club and that he understood some of the boys had tried out their guns and

The Municipal Civil Service Commis-sion has decided that Coroners must se-

Civil Service Test for Doctors.

lect their physicians from the civil service list. Pending this decision the commis-sion held up the pay of Dr. Gerard Kas-per of 714 Macon street, Brooklyn, and Dr. Lester D. Volk of 140 Floyd street.

BANK STOCK DROPS \$140

Bankers' Trust Co. Suffers From a Railroad Investment.

Sr. Louis, May 21 .- Stock in the Bankers Trust Company, which a few days ago sold at \$190 a share, went down to \$50 a share on the St. Louis Stock Exchange to-day. John E. Franklin, the president of the trust company, is now in New York trying to sell the San Antonio. Uvalde and Guif Raliroad of Texas, in which the trust company has \$4,000,000 ted by

He wired to-night that the trust company's stockholders need not worry because two parties are bidding for the railroad and a good price will be realized. The road is 320 miles long and is said to be well equipped. It runs from San Antonio to Corpus Christi, Tex.

The trust company was supposed to do business only with country banks, but two years ago it financed the Texas line. President Franklin says the undertaking was sound. Meantime, however, the general lack of faith in railroad securities, he says, is hurting his company's stock.

says, is hurting his company's stock

"Stone Breaker" Killed by Rock.

An unidentified Italian, 50 years old known as "Louis the Stone Breaker," was crushed to death by a rock in an exca-

UNUSUAL SALE

GRANDS AND UPRIGHTS These instruments have been used during the past winter and comprise

and other standard makes. They are all in perfect condition, fully warranted, and will be sold at

Terms to suit convenience of pur

PIANOS TO RENT Small Uprights for Summer Cot-

8, 10, 12 EAST 34TH ST.



Mr. Folk developed the fact that at one Q. Why keep away from them? A. I was afraid of my having something of value in my clothes. time the New Haven seemed to have prowhy he borrowed this money from the avigation company. "I needed money," said he. "I knew

The testimony shows that there is about

Q. What do you attribute the demoral-

e the United States Government Mr. Mellen finally said he attributed

Correct Drss for Min

that cannot be equalled anywhere at the price.

The best 50c. Neckwear values.

SERGE SUITS AT \$18

of a railroad. He had better begin his conomies at home. Mr. Mellen was asked why he accepted a salary of \$60,000 a year, and he said

"Acquiring the steamships was a big distake," added Mr. Mellen.
"The Westchester deal seemed to me a stary of \$90,000 a year, and he said he was like the anarchist who had two coats and wanted to keep both. "I felt that I was entitled to what was coming to me," he said. "My salary would range

ton threw its tea over. It repeated itself. It dumped. Boston is the home of the

Q. What was done in Boston? A. Bos-

York and Ontario road, he said, has al-Q. Anti what? A. Anti everything, If there has ever been any proposal for the benefit of anybody or anything in this country Boston has always opposed it. Q. They are thinking people in Boston?
A. Boston people think, but they don't think as other people outside of Boston

O. They were evidently thinking in the right direction in connection with this New Haven matter. A. I think they are thinking very seriously now over they have done.

Unpopularity of the Road.

Mr. Mellen said that the New Haves was unpopular throughout New England and always had been. "The New Haven was a monopoly from "Stockholders in times of prosperity are like sheep; they go on and browse," he added. "When there is trouble they all make for the same hole in the fence and injure themselves." its inception," said he. "It incurred the opposition of the President by its political manipulation of things years ago, when everybody thought that anything could be from done by that road. It was the general impression that it controlled the political situation in Connecticut. There was a lot take of resentment against the New Haven Q. Did you encounter opposition from situation in Connecticut. There was a lot the people anywhere or did they take of resentment against the New Haven what you were going to do with completency. A. I don't think there was much opposition except in Boston and vicinity. Outside of Boston there was a little, pany would have been applicated.

was a little pany would have been applauded. Mr. Mellen said he did not think the New Haven had any legislative agent in Maine: that it had very little business there and he thought this was attended to by the general counsel of the Boston and Maine, Seth McCarter. "Distinguish between lawyers retained for strictly legal services and those reat 417 West Thirty-seventh street when lawyers retained for strictly legal services and those reof becoming interested in the Metropolitan Steamship Company of New Jersey. "I found opposition and insisted upon my name being withdrawn from the ar-

"Did you have any relations with legislators or politicians?" asked Mr. Folk.
"Most of my relations," said Mr. Mellen.
"were in trying to keep away from them."

Q. Would they run after you? A. Not if I knew it. Not if I saw them first. I want to say this, that there is not half

scrupilous person at the head of a large corporation, who had knowledge and ability and the wherewithal, could accomplish almost anything. For that reason I am frank to say that I dreaded the power that would have been placed in the hands of myself or any one else had our policy been successful. I think people may well be alarmed at the power a man might exercise if he had it under the circumstances. My experience is that there are few men who would use it. They may have a beneficent monopolist, but they do not know who will succeed that beneficent monopolist. To my mind there is going to be gotten out of monopoly efficiency and conomy, but that monopoly is bound to

What would you say as to the amount of salary you received as head of the New Haven? You said you received \$60,000 a year. A. That was too much. Q. What would you say as to the maximum that should be paid? A. I think that a man who has not got the ability to live on \$25,000 a year should go somewhere else and should not be working for a railroad. A man who has not the ability to live on \$25,000 a year has got too little ability to be the head of a railroad. He had better herdy his

Q. Are the directors of the New Haven now the same directors that operated under you? A. Many of them are.
Q. What changes have been made, if any? A. I have not kept track.

Affection for the Directors

Q. From your experience while presiwant to say this, that there is not half the attempt on the part of railroad people to control legislation and to have relations with legislators as there is on the part of legislators to have relations with railroad officials.

We From your experience while pictal dent of the New Haven what would be your opinion as to whether the system can be reformed with the same board of directors? A. I have the highest opinion and the warmest affection for the directors of the New Haven. I think they were one of the finest bodies of men I Dreaded the Power of Success.

Q. From your experience as head of a great railway system you have said it is possible for a large corporation of that kind to accomplish almost anything it desires if it has money enough. Is that true? A. I think that an absolutely unscrupulous person at the head of a large corporation, who had knowledge and ability and the when must entered to have the interest of the property at heart.

Q. Do you think that the New Haven can be reformed by the same board of directors? A. My impression is that the troubles of the New Haven system are owing to the death of a man who assured us that the plans and policies were wise, and I do not think that reforms can be recurred unless we can get a man like

secured unless we can get a man like him. I think the directors would give such a man their support.

Mr. Mellen said that the New Haven would not get rid of its troubles until it got rid of "that floating debt."

"That debt must be taken care of before they can reform" said he.

they can reform," said he. Floating Debt of \$375,000,000

Mr. Mellen added that he figured this floating debt to be as high as \$375,000,000. He said that if this debt is to be funded legislation of several States must be brought more into uniformity, so that what was legal in one New England State would not be illegal in another. He said twas one of the reasons that started New Haven to carry a floating debt.

Q. To what do you attribute the large number of accidents on the New Haven? A. There were only three serious ones. They were enough. They broke my heart. I attributed them to the same thing that I attribute the rain, the sunshine. They are incomprehensible to me. They were failures of men who ought not to

have failed.

Mr. Folk now turned to Rhode Island politics.
"Who was your legislative agent in Rhode Island?" he asked.
"Why," said Mr. Mellen, "we worked there during the time of his life through

Gen. Brayton."
Q. He was the blind boss? A. He certainly was all right a boss.
Q. How do you know? A. I met him.
I generally succeeded in getting what I wanted through him.

Q. How much did you pay him? A. I orget. I should think about \$6,000 or forget. I should think about \$6,000 or \$7,000 a year. Mr. Mellen said that money to aid men Mr. Mellen said that money to aid men for election to the Legislature was disbursed through Gen. Brayton, and they undoubtedly remembered it.

"Gratitude," said he, "is a lively expectation of favors yet to come. What they got seemed to whet their appetite for more. I have heard everything that could be said about Rhode Island. I have heard Rhode Island extolled and cursed."

Q. Gen. Brayton was your legislative

our legislative agent. He was everybody's legislative agent who wanted to get any-Mr. Mellen said that he thought the books of the New Haven would show dis-bursements made to Gen. Brayton.

Q. What did Gen. Brayton do for you return for this \$6,000 or \$7,000 a year? A. I do not think the money was paid to him for things that he did for us so much as for preventing him from deing things to us. What we generally needed was negative action. I think we wanted to be was holding its weekly racket last night let alone. I think we were in the nega-tive position while we paid him. I think we may have been opposing legislation. I do not think any railroad is locking for They are looking for a lightning

Q. Who was your legislative agent in onnecticut A. J. Henry Rohrback. I tink, from the voucher I saw, he was paid \$5,000. paid \$5,000.

Q. A year? A. I think there were sessions of the Connecticut Legislature once in two years. I think if we could have had a session only once in five years we would have made money.

Q. What did he do for you in Connecticut? A. I don't think very much. We always had to have somebody looking after our interests before every Assembly of Representatives, but it is not the things we want to do; it is the things we want tearing the dropped in a after 9 o'clock. It was after 1 arrived at Bell nell was lifted one after 9 o'clock.

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things we want to do; it is the things we want to prevent the other fellow from

"I do not think I saw the vouchers except in a very few instances," said Mr. Mellen. "Only those that were large enough to attract attention came before me. I am unfamiliar with that class of business. We depended on our general counsel, and if vouchers came to me ap-proved by the general counsel I approved Mr. Mellen said that Vice-President Buckland had charge of matters in Rhode

Burns in Massachusetts. "Who looked after legislative interests of the New Haven in New York State?"

Island, General Counsel Robbins in Con-necticut and Vice-President Timothy E.

Overshadowed in New York. "Myself as much as anybody," replied r. Mellen. "We did not have a consider-ple interest there. New York is a big able interest there. New York is a big State. There are big corporations there. Their interest was so much greater than ours that we hid under their shadow in New York. They hid under ours in New England. We slipped through easily in

"We were assured that their interests were so much greater than ours that they could not afford to allow any legislation to go through because of the general efto go through because of the general ef-fect on themselves. The effect on our in-terests in New York was inconsiderable. Therefore we ducked."

Mr. Folk asked the witness again to-day if the late Mr. Morgan was not the moving spirit in the affairs of the New Haven; if he did not "dominate the board of directors of the New Haven."

New York.

"Dominate the board of directors, Gov-ernor," said Mellen, "why a meeting of the board of directors of the New Haven without Mr. Morgan present was like a herd of cows in a pasture without their

"I can better illustrate it further by saying that 'Where sits MacGregor there is the head of the table.'"

"NO COMMENT"-ROOSEVELT. Steamship Matter Has Been Explained, Says the Colonel.

Oyster Bay, L. I., May 21.—Col. Roosevelt was asked this evening if he had any statement to make relative to the testimony of ex-President Charles S. Mellen of the New Haven railroad, wherein Mr. Mellen said that Col. Roosevelt, when President, had advised him not to sell the road's steamship lines to Charles W. Morse for \$20,000,000.

The Colonel said he had no comment to make on the testimony, as he and Herbert Knox Smith when Commissioner of Corporations had gone over this matter thoroughly and that it had been thoroughly explained. The Colonel added that the

explained. The Colonel added that the case was similar to those of the Harvester trust and the Tennessee Coal and Iron Company, which had been explained.

H. K. SMITH RECALLS VISIT. But He Declines to Comment on the

Conversation. FARMINGTON, Conn., May 21 .- Because he had not ready access to his diary and notes to-night Herbert Knox Smith, Commissioner of Corporations under President Roosevelt, was reluctant to discuss what occurred at the visit to the White House concerning which Charles S. Mellen testi-

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